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History of the Provisions of Old-Age, Survivors, Disability, and Health Insurance 1935—1981

HISTORY OF THE PROVISIONS OF OLD–AGE, SURVIVORS, AND DISABILITY INSURANCE 1935–81

EMPLOYMENT COVERED [1]

Act [2]

COMPULSORY

1935 All workers in commerce and industry (except railroads) under age 65 in continental United States, Alaska and Hawaii, and on American vessels. (Covered after 1936).

1939 Age restriction eliminated.

1946 Railroad and social security earnings combined to determine eligibility for and amount of survivor benefits.

1950 Regularly employed farm and domestic workers. Nonfarm self-employed (except professional groups). Federal civilian employees not under retirement system. Americans employed outside United States by American employer. Puerto Rico and Virgin Islands.

1951 Railroad workers with less than 10 years of service, for all benefits. (After October 1951, coverage is retroactive to 1937.)

1954 Farm self-employed. Professional self-employed except lawyers, dentists, doctors, and other medical groups (taxable year beginning after 1953). Additional regularly employed farm and domestic workers. Homeworkers.

1956 Members of the uniformed services. Remainder of professional self-employed except doctors (taxable year beginning after 1954). Farm landlords who materially participate in farm operations.

1960 Americans employed in United States by foreign government or international organization (covered as self-employed). Parent working for child (except domestic or casual labor). Guam and American Samoa.

1965 Interns. Self-employed doctors (taxable year beginning after 1955). Tips for employee tax only.

1967 Ministers (unless exemption is claimed on grounds of conscience or religious principles). Taxable year beginning after 1966.

1972 Self-employed temporarily living abroad.

1977 Ministers may make irrevocable revocation of an exemption from coverage (before due date of next tax return). For employer tax, tips deemed to be wages under Fair Labor Standards Act (minimum wage law) are covered (after 1977).

1981 All sick pay for first 6 months (except worker's compensation or paid for by employee).

ELECTIVE BY EMPLOYER

1950 State and local government employees not under retirement system.

1954 Americans employed outside United States by foreign subsidiary of American employer.

1972 Members of a religious order subject to a vow of poverty.

Act [2]

ELECTIVE BY EMPLOYER AND EMPLOYEE

1950 Employees (other than ministers) of nonprofit organizations (employees voting against coverage are not covered; new employees are covered).

1954 State and local government employees (except firemen and policemen) under retirement system.

1956 Firemen and policemen in designated States. State and local government employees under retirement system in designated States may be divided into two systems, one excluding employees not desiring coverage (new employees covered).

1967 Firemen under retirement system.

ELECTIVE BY INDIVIDUAL

1954 Ministers.

1965 Members of certain religious sects may obtain exemption from self-employment coverage (retroactive to 1951).

1967 Ministers placed under compulsory coverage, but can opt out on grounds of conscience or religious principles.

GRATUITOUS FOR MEMBERS OF ARMED FORCES

1946 Fully insured status and average monthly wage of $160 for World War II veterans who died within 3 years after discharge.

1950 Wage credits of $160 per month of service during World War II (Sept. 16, 1940, to July 24, 1947).

1952 Same wage credits to Dec. 31, 1953.

1953 Same wage credits to June 30, 1955.

1955 Same wage credits to Mar. 31, 1956.

1956 Same wage credits to Dec. 31, 1956.

1967 Wage credits of $100 for each $100 (or fraction thereof) of basic pay not in excess of $300 per quarter, beginning 1968.

1972 Wage credits of $300 per quarter after 1956.

1977 Wage credits of $100 per $300 of basic pay up to a maximum of $1200 credit per year, beginning 1978.

GRATUITOUS FOR WAR INTERNEES

1972 Wage credits for U.S. citizens of Japanese ancenstry for period of internment during World War II.

[1] Unless otherwise noted, coverage begins on the first of January after the year of the Act; for the self-employed, at the beginning of the taxable year after the year of the Act.

[2] The word "Act" represents legislation in the year shown (except that the 1967 Act was signed Jan. 2, 1968). The 1972 Act includes two separate amendments signed July 1, 1972 and October 30, 1972. The 1973 Act includes two separate amendments signed July 9, 1973 and December 31, 1973. The 1980 Act includes two separate amendments signed June 9, 1980 and October 9, 1980. The 1981 Act includes two separate amendments signed August 13, 1981 and December 29, 1981.

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INSURED STATUS

Act

QUARTER OF COVERAGE (QC)

1939 Calendar quarter in which $50 of wages is earned. Four QC are credited for covered earnings equal to maximum limitation for the year.

1946 Calendar quarter in which $50 of wages is paid.

1950 Calendar quarter credited with $100 of self-employment income (reported annually).

1954 Calendar quarter credited with $100 of agricultural wages (reported annually).

1977 One QC for each $250 of wages and self-employment income (reported annually) in 1978, up to a maximum of four.[1]

1977[2] $260 per QC in 1979.[1]
1977[2] $290 per QC in 1980.[1]
1977[2] $310 per QC in 1981.[1]
1977[2] $340 per QC in 1982.[1]

DISABILITY DEFINITION

1954 Inability to engage in substantial gainful activity because of any medically determinable permanent physical or mental impairment.

1965 Disability expected to last at least 12 months. For blind age 55-64, inability to engage in usual occupation.

1967 Inability to engage in any substantial gainful work existing in the national economy. For surviving spouse, inability to engage in any gainful activity.

PERIOD OF DISABILITY

1954 Continuous period of at least 6 months of disability as defined above.

1972 At least 5 months of continuous disability.

FULLY INSURED

1935 Cumulative wages of $2,000 and employment in each of 5 years after 1936 and before age 65.

1939 QC equal to one-half the quarters elapsed after 1936 (or quarter aged 21) and before quarter of death or age 65. Minimum 6 QC; maximum 40 QC.

1950 Elapsed period measured after 1950 (QC earned at any time can be used).

1954 Period of disability excluded from elapsed period. Alternatively, QC earned in all quarters after 1954 and before quarter aged 65, with minimum of 6 such QC.

Act

1956 Elapsed period measured to age 62 for women. Alternatively, QC earned in all except 4 quarters after 1954 and before age 65 (62 for women).

1960 QC requirement reduced to one-third of the elapsed quarters.

1961 QC equal to years elapsed after 1950 (or year aged 21) and before year of death or age 65 (62 for women).

1972 Elapsed period for men reaching age 62 after 1972, measured to age 62 or to 1975, if later.

CURRENTLY INSURED

1939 6 QC earned in 12 quarters preceding quarter of death.

1946 6 QC earned in preceding 13 quarters, including quarter of death.

1950 Including quarter of retirement.

1954 Including quarter of disablement.

DISABILITY INSURED

1954 20 QC earned in last 40 quarters (including quarter of disablement) and currently insured.

1956 Fully insured requirement added.

1958 Currently insured requirement eliminated.

1960 Alternatively, 20 QC and QC earned in all quarters after 1950, with minimum of 6 such QC.

1965 Alternatively for blind under age 31, QC earned in one-half of the quarters elapsed after age 21, with minimum of 6 such QC. For blind under age 24, 6 QC earned in preceding 3 years.

1967 For all disabled under age 31, same alternative.

1972 For blind, requirement reduced to only fully insured.

TRANSITIONAL BENEFITS FOR AGE 72 AND OLDER

1965 Number of QC required reduced for men reaching age 72 in 1963 or earlier, and for women reaching age 72 in 1966 or earlier, but in no case less than 3 QC. Treated as fully insured.

1966 Number of QC required reduced to 3 QC for each year that year of attainment of age 72 is after 1967. No QC required if age 72 or older before 1968. Treated as uninsured.

[1] Subject to automatic provisions.

[2] Became effective due to automatic provisions.

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AVERAGE MONTHLY WAGE (AMW), PRIMARY INSURANCE AMOUNT (PIA), AND MAXIMUM FAMILY BENEFIT (MFB), BASED ON PROVISIONS PRIOR TO 1977 ACT [3]

Act

AVERAGE MONTHLY WAGE (AMW)

1939 AMW computed using earnings after 1936 and before year of death or retirement divided by months after 1936 and before quarter of death or retirement, excluding months before age 22 in quarter that was not QC.

1950 AMW computed using earnings after 1950 (or year aged 21) and before year of death, year of retirement or subsequent year, or year aged 65 if then insured, divided by number of months in those years.

1954 Earnings and months in 4 years may be excluded in all cases; in 5 years if worker has 20 QC. Period of disability may be excluded.

1956 Earnings and months in 5 years may be excluded in all cases. Computation period may end at age 62 for women then insured.

1960 Earnings may be used for any year after 1950 and before year of retirement, with the number of years equal to the years elapsed after 1955 (or year aged 26) and before year of death or age 65 for men and 62 for women. Same method may be used for earnings after 1936 and years elapsed after 1941.

1972 Number of years for men reaching age 62 after 1972, measured to age 62 or to 1975, if later.

PRIMARY INSURANCE AMOUNT (PIA)

1935 Formula applied to cumulative wages: ½ of 1% of first $3,000 plus 1/12 of 1% of next $42,000 plus 1/24 of 1% of next $84,000.

1939 Formula applies to AMW computed for period after 1936: 40% of first $50 plus 10% of next $200. Total increased by 1% for each year with at least $200 of creditable wages. Effective for January 1940.

Modified by 1950 Act so that increment years may not exceed 14, with amount increased under conversion table. Effective for September 1950.

Modified by 1967 Act to distribute total wages in 1937-50 over 9-14 years, with 14 increment years assumed.

Modified by 1977 Act to distribute total wages in 1937-50 over 1-14 years, with 4-14 increment years assumed.

1950 Formula applies to AMW computed for period after 1950: 50% of first $100 plus 15% of next $200. Effective for April 1952. Increase of about 77% in benefit level—from 100% at lowest level to 50% at highest level.

1952 55% of first $100 plus 15% of next $200. Effective for September 1952. Increase of the greater of 12½% or $5 in benefit level.

Act

1954 55% of first $110 plus 20% of next $240. Effective for September 1954. Increase of at least $5 (approximately 13%) in benefit level.

1958 58.85% of first $110 plus 21.40% of next $290. Effective for January 1959. Increase of the greater of 7% or $3 in benefit level.

1965 62.97% of first $110 plus 22.90% of next $290 plus 21.40% of next $150. Effective for January 1965. Increase of the greater of 7% or $4 in benefit level.

1967 71.16% of first $110 plus 25.88% of next $290 plus 24.18% of next $150 plus 28.43% of next $100. Effective for February 1968. Increase of approximately 13% in benefit level.

1969 81.83% of first $110 plus 29.76% of next $290 plus 27.81% of next $150 plus 32.69% of next $100. Effective for January 1970. Increase of approximately 15% in benefit level.

1971 90.01% of first $110 plus 32.74% of next $290 plus 30.59% of next $150 plus 35.96% of next $100 plus 20% of next $100. Effective for January 1971. Increase of 10% in benefit level.

1972 108.01% of first $110 plus 39.29% of next $290 plus 36.71% of next $150 plus 43.15% of next $100 plus 24% of next $100 plus 20% of next $250. Effective for September 1972. Increase of 20% in benefit level.

1973 119.89% of first $110 plus 43.61% of next $290 plus 40.75% of next $150 plus 47.90% of next $100 plus 26.64% of next $100 plus 22.20% of next $250 plus 20.00% of next $100. Effective for June 1974. Increase of 11% in benefit level.

1973 129.49% of first $110 plus 47.09% of next $290 plus 44.01% of next $150 plus 51.74% of next $100 plus 28.77% of next $100 plus 23.98% of next $250 plus 21.60% of next $175. Effective for June 1975. Increase of 8% in benefit level.

1973 137.77% of first $110 plus 50.10% of next $290 plus 46.82% of next $150 plus 55.05% of nnxt $100 plus 30.61% of next $100 plus 25.51% of next $250 plus 22.98% of next $175 plus 21.28% of next $100. Effective for June 1976. Increase of 6.4% in benefit level.

1973 145.90% of first $110 plus 53.06% of next $290 plus 49.58% of next $150 plus 58.30% of next $100 plus 32.42% of next $100 plus 27.02% of next $250 plus 24.34% of next $175 plus 22.54% of next $100 plus 21.18% of next $100. Effective for June 1977. Increase of 5.9% in benefit level.

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[1] Subject to automatic provisions.

[2] Became effective due to automatic provisions.

[3] Applicable only to persons dying or becoming eligible prior to 1979, where eligibility is defined as attainment of age 62 for old-age benefits or onset of disability for disability benefits. See page 6 for 1977 Act provisions.

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Act

1973[2] 155.39% of first $110 plus 56.50% of next $290 plus 52.81% of next $150 plus 62.08% of next $100 plus 34.53% of next $100 plus 28.77% of next $250 plus 25.92% of next $175 plus 24.00% of next $100 plus 22.56% of next $100 plus 21.30% of next $100. Effective for June 1978. Increase of 6.5% in benefit level.[1]

1973[2] 170.77% of first $110 plus 62.10% of next $290 plus 58.04% of next $150 plus 68.23% of next $100 plus 37.94% of next $100 plus 31.62% of next $250 plus 28.49% of next $175 plus 26.38% of next $100 plus 24.79% of next $100 plus 23.41% of next $100 plus 21.98% of next $435. Effective for June 1979. Increase of 9.9% in benefit level.[1]

Act

1973[2] 195.19% of first $110 plus 70.98% of next $290 plus 66.33% of next $150 plus 77.99% of next $100 plus 43.37% of next $100 plus 36.14% of next $250 plus 32.56% of next $175 plus 30.15% of next $100 plus 28.33% of next $100 plus 26.76% of next $100 plus 25.12% of next $435 plus 22.86% of next $250. Effective for June 1980. Increase of 14.3% in benefit level.[1]

1973[2] 217.05% of first $110 plus 78.93% of next $290 plus 73.76% of next $150 plus 86.72% of next $100 plus 48.23% of next $100 plus 40.19% of next $250 plus 36.21% of next $175 plus 33.52% of next $100 plus 31.51% of next $100 plus 29.75% of next $100 plus 27.94% of next $435 plus 25.42% of next $250 plus 22.24% of next $315. Effective for June 1981. Increase of 11.2% in benefit level.[1]

MINIMUM PIA PROVISIONS

MINIMUM PIA

1935 $10.
1950 $20. Effective for April 1952.
1952 $25. Effective for September 1952.
1954 $30. Effective for September 1954.
1958 $33. Effective for January 1959.
1961 $40. Effective for August 1961.
1965 $44. Effective for January 1965.
1967 $55. Effective for February 1968.
1969 $64. Effective for January 1970.
1971 $70.40. Effective for January 1971.
1972 $84.50[1] Effective for September 1972.
1973 $93.80.[1] Effective for June 1974.
1973[2] $101.40.[1] Effective for June 1975.
1973[2] $107.90.[1] Effective for June 1976.
1973[2] $114.30.[1] Effective for June 1977.
1973[2] $121.80.[1] Effective for June 1978.
1973[2] $133.90.[1] Effective for June 1979.
1973[2] $153.10.[1] Effective for June 1980.
1973[2] $170.30.[1] Effective for June 1981.

SPECIAL MINIMUM

1972 $8.50 per month times years of coverage in excess of 10 years, but not in excess of 30 years (maximum of $170). Effective for January 1973.

1973 $9.00 per month times years of coverage in excess of 10 years, but not in excess of 30 years (maximum of $180). Effective for January 1974.

1977 Same as for death or eligibility in 1979 or later (see page 6).

[1]Subject to automatic provisions.
[2]Became effective due to automatic provisions.

BEST DOCUMENT AVAILABLE

Act

MAXIMUM FAMILY BENEFIT (MFB)

	Percent of AMW	*But not less than*
1939	80%.	2 x PIA
1950	80% of first $187.50.	$40
1952	80% of first $210.93.	$45
1954	80% of first $250.00.	Greater of $50 of 1½ PIA
1958	80% of first $317.50.	Greater of PIA + $20 or 1½ PIA
1961	80% of first $317.50.	1½ PIA
1965	80% of first $370.00 + 40% of next $180.00.	1½ PIA
1967	80% of first $436.00 + 40% of next $214.00.	1½ PIA
1971	88% of first $436.00 + 44% of next $191.00.[3]	1½ PIA
1972	105.6% of first $436.00 + 52.8% of next $191.00.[1,3]	1½ PIA
1973	117.2% of first $436.00 + 58.6% of next $191.00.[1,3]	1½ PIA
1973[2]	126.6% of first $436.00 + 63.3% of next $191.00.[1,3]	1½ PIA
1973[2]	134.7% of first $436.00 + 67.3% of next $191.00.[1,3]	1½ PIA
1973[2]	142.6% of first $436.00 + 71.3% of next $191.00.[1,3]	1½ PIA
1973[2]	151.9% of first $436.00 + 76.0% of next $191.00.[1,3]	1½ PIA
1973[2]	167.0% of first $436.00 + 83.5% of next $191.00.[1,3]	1½ PIA
1973[2]	190.8% of first $436.00 + 95.4% of next $191.00.[1,3]	1½ PIA
1973[2]	212.2% of first $436.00 + 106.1% of next $191.00.[1,3]	1½ PIA

[1] Subject to automatic provisions.

[2] Became effective due to automatic provisions.

[3] For AMW of $628 or more, 1.75 times PIA.

BEST DOCUMENT AVAILABLE

AVERAGE INDEXED MONTHLY EARNINGS (AIME), PRIMARY INSURANCE AMOUNT (PIA), AND MAXIMUM FAMILY BENEFIT (MFB), BASED ON 1977 ACT PROVISIONS[3]

AVERAGE INDEXED MONTHLY EARNINGS (AIME)

Act	
1977	AIME computed using indexed earnings after 1950 and before year or retirement or disability, or year after year of death. Years with highest indexed earnings are used in computing the average, with the number of years of earnings used equal to the number of years elapsed after 1955 (or year aged 26 if later) and before year of death, disability, or age 62. Indexed earnings for a given year equal actual earnings times average wages for second year before death or eligibility to old-age or disability benefit, divided by average wages in the given year, except that for years after the second year before death or eligibility, indexed earnings equal actual earnings. Eligibility defined as attainment of age 62 for old-age benefits, or onset of disability (or age 62, if earlier) for disability benefits.
1980	For DI, the number of years of earnings used equals the number of years elapsed after 1950 (or year aged 21 if later) and before year of disability, minus dropout years equal to one-fifth of that number (to a maximum of five dropout years). However, the number of years of earnings used is at least two. Effective for initial entitlements after June 1980. For DI, persons who receive less than three dropout years under the one-fifth rule are credited with additional dropout years based on child care, up to a total of three dropout years. However, the number of years of earnings used is at least two. Effective for July 1981.

PRIMARY INSURANCE AMOUNT (PIA)

Act	
1977	90% of first $180 of AIME, plus 32% of AIME over $180 thru $1085, plus 15% of AIME in excess of $1085. Effective for 1979 deaths and eligibilities.[1] Any general benefit increases occurring in year of death or eligibility or later are applied to the PIA calculated from the formula. For retirees reaching age 62 in 1979-83 and their auxiliaries and survivors, PIA shall not be less than that calculated on December 1978 PIA table (based on provisions prior to 1977 Act), excluding earnings after year aged 61 in computation of AMW, and including any general benefit increases after year aged 61.
1977[2]	90% of first $194 of AIME, plus 32% of AIME over $194 thru $1171, plus 15% of AIME in excess of $1171. Effective for 1980 deaths and eligibilities.[1]
1977[2]	90% of first $211 of AIME, plus 43% of AIME over $211 thru $1274, plus 15% of AIME in excess of $1274. Effective for 1981 deaths and eligibilities.[1]
1977[2]	90% of first $230 of AIME, plus 32% of AIME over $230 thru $1,388, plus 15% of AIME in excess of $1,388. Effective for 1982 deaths and eligibilities.[1]
1981	For retirees reaching age 62 in 1982-83 and their dependents and survivors, December 1978 PIA table modified to reflect elimination of minimum PIA of $121.80 for AMW of $76 or less.

MINIMUM PIA PROVISIONS

MINIMUM PIA

1977	$122.00. Effective for new eligibles beginning in 1979. Minimum not subject to automatic provisions until earlier of year aged 65 or year of first receipt of benefits.
1981	Minimum eliminated for new eligibles beginning in 1982.

SPECIAL MINIMUM

1977	$11.50 per month times years of coverage in excess of 10 years, but not in excess of 30 years (maximum of $230.00). Effective for January 1979.[1]
1977[2]	Approximately $12.64 per month instead of $11.50 (maximum of $252.80). Effective for June 1979.[1]
1977[2]	Approximately $14.45 per month instead of $12.64 (maximum of $289.00). Effective for June 1980.[1]
1977[2]	Approximately $16.07 per month instead of $14.45 (maximum of $321.40). Effective for June 1981.[1]

[1] Subject to automatic provisions.
[2] Became effective due to automatic provisions.
[3] Applicable only to persons dying or becoming eligible in 1979 or later, where eligibility is defined as attainment of age 62 for old-age benefits or onset of disability for disability benefits. See page 3 for provisions prior to 1977 Act.

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MAXIMUM FAMILY BENEFIT (MFB)

Act

1977 150% of first $230 of PIA, plus 272% of PIA over $230 thru $332, plus 134% of PIA over $332 thru $433, plus 175% of PIA above $433. Effective for 1979 deaths and eligibilities.[1,3]

Any general benefit increases occurring in year of death or eligibility or later are applied to the MFB calculated from the formula.

1977 150% of first $248 of PIA, plus 272% of PIA over $248 thru $358, plus 134% of PIA over $358 thru $467, plus 175% of PIA above $467. Effective for 1980 deaths and eligibilities.[1,3]

Act

1980 For DI, the smaller of 85% of AIME (but not less than PIA), or 150% of PIA. Effective for initial entitlements (payment of benefits) after June 1980, if eligibility (onset of disability) is in 1979 or later.

1977 150% of first $270 of PIA, plus 272% of PIA over $270 thru $390, plus 134% of PIA over $390 thru $508, plus 175% of PIA above $508. Effective for 1981 deaths and eligibilities.[1,3]

1977 150% of first $294 of PIA, plus 272% of PIA over $294 thru $425, plus 134% of PIA over $425 thru $554, plus 175% of PIA above $554. Effective for 1982 deaths and eligibilities.[1,3]

[1] Subject to automatic provisions.

[2] Became effective due to automatic provisions.

[3] DI maximum family benefit may also be effective. See 1980 Act description.

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MONTHLY BENEFITS

Act	Type of Benefit	Percent Of PIA	Conditions
	RETIRED WORKER		
1935	Retired worker aged 65 and over	.....	*Fully insured.* Amount based on cumulative wages.
1939	.....	100	Amount based on PIA.
1956	Woman aged 62-64	.....	Reduced 5/9% per month under age 65.
1961	Man aged 62-64	.....	Reduced 5/9% per month under age 65.
1972	.....	.....	Increased by delayed-retirement increment-1/12% for each month after 1970 and between the ages of 65 and 72 in which no benefits received and must not have received an actuarially reduced benefit.
1977	.....	.....	Increased 1/4% for each month after 1981 and between the ages of 65 and 72 in which no benefits received. Effective for 1979 and later eligibilities. Requirement for non-receipt of actuarially reduced benefit removed.
1981	.....	.....	Minimum age increased to 62 and 1 month, except for those who attain age 62 on the first day of the month.
	DISABLED WORKER		
1956	Disabled worker aged 50-64....	100	*Disability insured.* Reduced by amount of worker's compensation.
1958	.....	.....	Reduction for worker's compensation eliminated.
1960	Under age 65.....	100	*Disability insured.*
1965	.....	.....	Reduced if benefits plus worker's compensation exceed 80% of the higher of AMW or high-5-year average earnings in covered employment (adjusted periodically for rises in wage levels).
1972	.....	.....	Reduced if benefits plus worker's compensation exceed 80% of the highest of AMW, high-5-year average earnings, or highest year in last 6 years of covered employment.
1981	.....	.....	Reduced if benefits plus worker's compensation plus certain disability benefits under a federal, state or local law exceed 80% of the highest of AMW, high-5-year average earnings, or highest year in last 6 years of covered employment.
	AUXILIARY BENEFICIARIES OF RETIRED WORKER		
		Wife	
1939	Wife aged 65 and over	50	*Fully insured.*
1950	Under age 65.....	.....	Caring for eligible child
1956	Aged 62-64	.....	Reduced 25/36% per month under age 65.
1965	.....	.....	Eligible child excludes student aged 18-21.
1967	.....	.....	Maximum $105.
1969	.....	.....	Maximum eliminated.
1977	.....	.....	Reduced by any retirement pension payable based on own earnings in noncovered governmental employment (as of last day of such employment). Reduction does not apply if eligible for such pension before December 1982.
1981	.....	.....	Minimum age increased to 62 and 1 month, except for those who attain age 62 on the first day of the month, if not caring for eligible child. Eligible child excludes non-disabled child aged 16-17.
		Child	
1939	Child under age 18.....	50	*Fully insured.*[1] Student at age 16-17.
1946	.....	.....	Student requirement eliminated.
1965	Aged 18-21	.....	Full-time student.
1972	.....	.....	Benefits extended to end of quarter or semester in which 22nd birthday occurs while working on any undergraduate degree. Includes grandchild under certain circumstances.
1956	Disabled child age 18 and over .	50	Disabled before age 18.
1972	.....	.....	Disabled before age 22. Includes grandchild under certain circumstances.
1981	Aged 18-21	.....	Student category eliminated (on phased out basis for those entitled before May 1982), except for high school students under age 19.

See footnotes on page 11.

BEST DOCUMENT AVAILABLE

Act	Type of Benefit	Percent Of PIA	Conditions
		Husband	
1950	Husband aged 65 and over.....	50	*Fully and currently insured.* Dependent.
1961	Aged 62-64	.....	Reduced 25/36% per month under age 65.
1967	.....	.....	*Currently insured* requirement eliminated. Maximum $105.
1969	.....	.....	Maximum eliminated.
[2]	.....	.....	Dependency requirement eliminated.
1977	.....	.....	Noncovered pension offset (see Wife). However, delay of applicability of offset until December 1982 does not apply unless dependent on spouse.
[3]	Under age 65.....	.....	Caring for eligible child.
1981	.....	.....	Minimum age increased to 62 and 1 month, except for those who attain age 62 on the first day of the month, if not caring for eligible child. Eligible child excludes non-disabled child aged 16-17.
		Divorced Wife	
1965	Divorced wife aged 65 and over	50	*Fully insured.* Dependent. Married 20 years.
	Aged 62-64	.....	Reduced 25/36% per month under age 65.
1967	.....	.....	Maximum $105.
1969	.....	.....	Maximum eliminated.
1972	.....	.....	Dependency requirement eliminated.
1977	.....	.....	Noncovered pension offset (see Wife). Married 10 years.
1981	.....	.....	Minimum age increased to 62 and 1 month, except for those who attain age 62 on the first day of the month.
		Divorced Husband	
[4]	Divorced husband aged 65 and over.....	50	*Fully insured.* Married 20 years.
	Aged 62-62	.....	Reduced 25/36% per month under age 65.
1977	.....	.....	Noncovered pension offset (see Wife). Married 10 years.
1981	.....	.....	Minimum age increased to 62 and 1 month, except for those who attain age 62 on the first day of the month.
	AUXILIARY BENEFICIARIES OF DISABLED WORKER		
1958	Same as auxiliary beneficiaries of retired-worker beneficiary.	50	*Disability insured.* Same as auxiliaries of retired-worker beneficiary.
	SURVIVORS		
		Widowed Mother	
1939	Widowed mother	75	*Fully or currently insured.* Caring for eligible child.
1950	.....	.....	Divorced and dependent.
1965	.....	.....	Eligible child excludes student aged 18-21.
1972	.....	.....	Dependency requirement eliminated for divorced mother.
1977	.....	.....	Noncovered pension offset (see Wife).
1981	.....	.....	Eligible child excludes non-disabled child aged 16-17.

See footnotes on page 11.

BEST DOCUMENT AVAILABLE

Act	Type of Benefit	Percent Of PIA	Conditions
		Widow	
1939	Widow: aged 65 and over	75	*Fully insured.*
1956	Aged 62-64	.....	.....
1961	.....	82½	.....
1965	.....	.....	Divorced wife, dependent and married 20 years.
	Aged 60-61	.....	Reduced 5/9% per month under age 62.
1972	Aged 65 and over	100	Limited to amount husband (or former husband) would be receiving if still living but not less than 82½% of PIA.
	Aged 62-64		Reduced 19/40% per month under age 65. Benefit limited to the larger of 82½% of PIA or amount husband (or former husband) would be receiving if still living.
	Aged 60-61		Further reduced 19/40% per month under age 62.
1967	Disabled widow aged 50-59	82½	*Fully insured.* Reduced 13-1/3% plus 43/198% per month under age 60. Includes divorced wife, dependent and married 20 years.
1972	.....	100	Reduced 28½% plus 43/240% per month under age 60. Dependency requirement eliminated for divorced wife.
1977	.....	.....	Increased by any delayed-retirement increment husband (or former husband) would be receiving. Marriage requirement reduced to 10 years for divorced wife. Noncovered pension offset (see Wife).
		Widower	
1950	Widower: Aged 65 and over	75	*Fully and currently insured.* Dependent.
1961	Aged 62 and over	82½	.....
1967	.....	.....	*Currently insured* requirement eliminated.
1972	Aged 65 and over	100	Limited to amount wife would be receiving if still living, but not less than 82½% of PIA.
	Aged 62-64		Reduced 19/40% per month under age 65. Benefit limited to the larger of 82½% of PIA or amount wife would be receiving if still living.
	Aged 60-61		Further reduced 19/40% per month under age 62.
1967	Disabled widower: Aged 50-61	82½	*Fully insured.* Dependent. Reduced 5/9% per month between ages 60-62 plus 43/198% per month under age 60.
1972	Aged 50-59	100	Reduced 28½% plus 43/240% per month under age 60. Disability requirement eliminated for ages 60-61.
[5]	.....	.....	Dependency requirement eliminated.
1977	.....	.....	Increased by any delayed-retirement increment wife would be receiving. Noncovered pension offset (see Wife). However, delay of applicability of offset until December 1982 does not apply unless dependent on wife.
[6]	.....	.....	Divorced husband, married 10 years.
		Widowed Father	
[7]	Widowed father	75	*Fully or Currently Insured.* Caring for eligible child under age 18.
[8]	.....	.....	Divorced husband, married 10 years.
1981	.....	.....	Eligible child excludes non-disabled child aged 16-17.

See footnotes on page 11.

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Act	Type of Benefit	Percent Of PIA	Conditions
		Children	
1939	Child: Under age 18	50	*Fully or currently insured.* Student at age 16-17.
1946		.....	Student requirement eliminated.
1950		.....	Plus 25% of PIA divided among the children.
1960		75	Additional 25% of PIA eliminated.
1965	Aged 18-21	.....	Full-time student.
1972		.....	Benefits extended to end of quarter or semester in which 22nd birthday occurs while working on undergraduate degree. Includes grandchild under certain circumstances.
1956	Disabled child: Aged 18 and over	50	*Fully or currently insured.* Disabled before age 18. Plus 25% of PIA divided among the children.
1960		75	Additional 25% of PIA eliminated.
1972		.....	Disabled before age 22. Includes grandchild under certain circumstances.
1981	Aged 18-21	.....	Student category eliminated (on phased out basis for those entitled before May 1982), except for high school students under age 19.
		Parent	
1939	Parent aged 65 and over	50	*Fully insured.* Dependent. No surviving widow or child under age 18.
1946		.....	No surviving eligible widow or child.
1950		75	.....
1956	Woman: Aged 62-64	.....	.....
1958		.....	No other survivor requirement eliminated.
1961	Aged 62 and over	82½	75% each if two parents.

ROUNDING OF BENEFIT AMOUNTS

Act	Type of Rounding
1935	Nearest cent.
1950	Next higher $.10 (if not already multiple of $.10) at each computation step.
1981	Next lower $.10 (if not already multiple of $.10) at each computation step. Final individual benefit check (after SMI premium and some other deductions, if any) to next lower $1 (if not already multiple of $1).

[1] Under 1939 Act, not generally available to child of married woman worker. Unner 1950 Act, available if woman worker is *fully and currently insured; currently insured* requirement eliminated in 1967 Act.

[2] Not enacted into law, but eliminated by Supreme Court decision in Califano v. Abbott, Califano v. Jablon, and Califano v. Silbowitz, March 21, 1977.

[3] Not enacted into law, but payable on basis of administrative ruling, October 17, 1980, resulting from Eastern District of Pennsylvania District Court decision in Cooper v. Califano, December 29, 1978.

[4] Not enacted into law, but payable on basis of Northern District of California District Court decision in Oliver v. Califano, June 24, 1977.

[5] Not enacted into law, but eliminated by Supreme Court decision in Califano v. Goldfarb, March 2, 1977.

[6] Not enacted into law, but payable on basis of District of Oregon District Court decision in Ambrose v. Califano, July 16, 1980.

[7] Not enacted into law, but payable on basis of Supreme Court decision in Weinberger v. Weisenfeld, March 19, 1975.

[8] Not enacted into law, but payable on basis of Western District of Washington District Court decision in O'Connor v. Harris, September 24, 1979.

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TRANSITIONAL BENEFITS FOR CERTAIN PERSONS AGE 72 AND OLDER

Act	
1965	$35 for individual; $52.50 for couple.
1966	For those newly eligible under 1966 liberalization, reduced by amount of other government pension and not available to those on public assistance.
1967	$40 for individual; $60 for couple.
1969	$46 for individual; $69 for couple.
1971	$48.30 for individual; $72.50 for couple.
1972	$58 for individual; $87 for couple.[1]
1973	$64.40 for individual; $96.60 for couple.[1] For the non-insured, benefit suspended if eligible for Supplemental Security Income (SSI).

Act	
1973[2]	$69.60 for individual; $104.40 for couple.[1]
1973[2]	$74.10 for individual; $111.20 for couple.[1]
1973[2]	$78.50 for individual; $117.80 for couple.[1]
1973[2]	$83.70 for individual; $125.60 for couple.[1]
1973[2]	$92.00 for individual; $138.10 for couple.[1]
1973[2]	$105.20 for individual; $157.90 for couple.[1]
1973[2]	$117.00 for individual; $175.70 for couple.[1]

LUMP-SUM PAYMENTS

Act	*Type*	*Amount*	*Conditions*
1935	Lump-sum refund at age 65	3½% wage credits	Not insured Age 65 over
	Lump-sum death benefit	3½% wage credits less benefits received	*Fully insured*
1939	Lump-sum refund at age 65 eliminated		
	Lump-sum death benefit	6 x PIA if no eligible survivor	Any age *Fully or currently insured*
1950	Lump-sum death benefit	3 x PIA	
1954	Lump-sum death benefit	3 x PIA, but not more than $255	
1973	Lump-sum death benefit	$255	
1981	Lump-sum death benefit	$255	Payable only to surviving spouse, or children eligible for benefits.

[1] Subject to automatic provisions.

[2] Became effective due to automatic provisions.

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EARNINGS TEST

Act	Beneficiaries exempt	Earnings subject to test	Amount permitted without reduction in benefits		Reduction in monthly benefits	Effective year
			Annual earnings	Monthly wages[1, 6]		
1935	.....	Covered	.....	.....	Full monthly benefit.	
1939	.....	.....	.....	$ 14.99	.....	1940
1950	.... Aged 75 and over	.....	$ [2]600	50	.....	1951
1952	.....	.....	[2]900	75	.....	1953
1954	.... Aged 72 and over	All[3]	1,200	80	One month's benefit for each $80 or fraction thereof.	1955
1956	.... Disabled.....	.....	.....	.....	.....	1958
1958	.....	.....	.....	100	.....	1959
1960	.....	.....	.....	.....	$1 for each $2 of earnings from $1,201-$1,500. $1 for each $1 of earnings over $1,500.	1961
1961	.....	.....	.....	.....	$1 for each $2 of earnings from $1,201-$1,700. $1 for each $1 of earnings over $1,700.	1962
1965	.....	.....	1,500	125	$1 for each $2 of earnings from $1,501-$2,700.	1966
1967	.....	.....	1,680	140	$1 for each $2 of earnings from $1,681-$2,880. $1 for each $1 of earnings over $2,880.	1968
1972	.....	Excludes earnings after age 72	[4]2,100	[4]175	$1 for each $2 of earnings over $2,100.[4]	1973
1973	.....	.....	[4]2,400	[4]200	$1 for each $2 of earnings over $2,400.[4]	1974
1973[5]	.....	.....	[4]2,520	[4]210	$1 for each $2 of earnings over $2,520.[4]	1975
1973[5]	.....	.....	[4]2,760	[4]230	$1 for each $2 of earnings over $2,760.[4]	1976
1973[5]	.....	.....	[4]3,000	[4]250	$1 for each $2 of earnings over $3,000.[4]	1977
	For Beneficiaries aged 64 and under:					
1973[5]	.....	.....	[4]3,240	[4]270	$1 for each $2 of earnings over $3,240.[4]	1978
1973[5]	.....	.....	[4]3,480	[4]290	$1 for each $2 of earnings over $3,480.[4]	1979
1973[5]	.....	.....	[4]3,720	[4]310	$1 for each $2 of earnings over $3,720.[4]	1980
1973[5]	.....	.....	[4]4,080	[4]340	$1 for each $2 of earnings over $4,080.[4]	1981
1973[5]	.....	.....	[4]4,440	[4]370	$1 for each $2 of earnings over $4,440.[4]	1982
	For Beneficiaries aged 65 to 72:					
1977	.....	.....	4,000	333.33	$1 for each $2 of earnings over $4,000.	1978
	.....	.....	4,500	375	$1 for each $2 of earnings over $4,500.	1979
	.....	.....	5,000	416.66	$1 for each $2 of earnings over $5,000.	1980
	.....	.....	5,500	458.33	$1 for each $2 of earnings over $5,500.	1981
	.....	.....	[4]6,000	[4]500	$1 for each $2 of earnings over $6,000.[4]	1982
1981	.... Aged 70 and over	Excludes earnings after age 70	[4]	[4]	.....	1983

[1] Monthly test for self-employment income is defined in terms of substantial gainful services.
[2] Applied to self-employment income only.
[3] Special provisions for earnings in noncovered employment outside United States.
[4] Subject to automatic provisions.
[5] Became effective due to automatic provisions.
[6] Monthly test eliminated except for year of retirement.

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Act[1]	Years[1]	Contribution Rates and Earnings Base						
		Earnings Base	Contribution Rate (percent)					
			Employer and Employee each			Self-Employed		
			OASI	DI	OASDI	OASI	DI	OASDI
1935-1947	1937-49	$ 3,000	1.0					
1947	1950	3,000	1.5					
1950	1951-53	3,600	1.5			2.25		
	1954	3,600	2.0			3.00		
1954	1955-56	4,200	2.0			3.00		
1956	1957-58	4,200	2.0	0.25	2.25	3.00	0.375	3.375
1958	1959	4,800	2.25	0.25	2.5	3.375	0.375	3.75
	1960-61	4,800	2.75	0.25	3.0	4.125	0.375	4.5
1961	1962	4,800	2.875	0.25	3.125	4.325	0.375	4.7
	1963-65	4,800	3.375	0.25	3.625	5.025	0.375	5.4
1965	1966	6,600	3.5	0.35	3.85	5.275	0.525	5.8
	1967	6,600	3.55	0.35	3.9	5.375	0.525	5.9
1967	1968	7,800	3.325	0.475	3.8	5.0875	0.7125	5.8
	1969	7,800	3.725	0.475	4.2	5.5875	0.7125	6.3
1969	1970	7,800	3.65	0.55	4.2	5.475	0.825	6.3
	1971	7,800	4.05	0.55	4.6	6.075	0.825	6.9
1971	1972	9,000	4.05	0.55	4.6	6.075	0.825	6.9
1972	1973	10,800	4.3	0.55	4.85	6.205	0.795	7.0
1973	1974	13,200	4.375	0.575	4.95	6.185	0.815	7.0
	1975	14,100	4.375	0.575	4.95	6.185	0.815	7.0
	1976	15,300	4.375	0.575	4.95	6.185	0.815	7.0
	1977	16,500	4.375	0.575	4.95	6.185	0.815	7.0
1977	1978	17,700	4.275	0.775	5.05	6.01	1.09	7.1
	1979	22,900	4.33	0.75	5.08	6.01	1.04	7.05
1980	1980	25,900	4.52	0.56	5.08	6.2725	0.7775	7.05
	1981	29,700	4.70	0.65	5.35	7.025	0.975	8.0
	1982	32,400	4.575	0.825	5.4	6.8125	1.2375	8.05
	1983-84	[2]	4.575	0.825	5.4	6.8125	1.2375	8.05
	1985-89	[2]	4.75	0.95	5.7	7.125	1.425	8.55
	1990+	[2]	5.1	1.1	6.2	7.65	1.65	9.3

[1] Contribution rates provided by law, but superseded before they could become effective, are not shown.
[2] In accordance with the automatic provisions.

Act *General Revenue Financing*

1947 For cost of gratuitous military service wage credits.

1966 For cost of transitional uninsured benefits for those age 72 and older, with less than 3 QC.

1972 For cost of gratuitous wage credits for U.S.-citizen internees of Japanese ancestry.

Railroad Retirement Interchange

1946 Railroad interchange provision enacted.

Interfund Borrowing

1981 Borrowing among OASI, DI, and HI Trust Funds authorized, to be repaid with interest. Effective thru December 31, 1982.

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AUTOMATIC PROVISIONS

Act	*Based on Wage Increases*
1972	Earnings base increased in January, based on increase in average earnings in covered employment for calendar quarter January-March of preceding year over such average earnings for second preceding year. Increase effective only if automatic CPI benefit increase effective at same time. Resulting earnings base rounded to nearest multiple of $300. Earnings test amounts increased by same percentage, with monthly amount rounded to nearest multiple of $10. PIA formula extended, with factor of 20% applying to AMW in new segment of one-twelfth of increase in earnings base.
1973	Increase in earnings base effective only if automatic CPI benefit increase effective in preceding June.
1976	Beginning with increase in earnings base in January 1977, increase based on increase in average earnings in covered employment for calendar quarter January-March of second preceding year over such average earnings for third preceding year. Beginning with increase in earnings base in January 1981, increase based on increase in average annual earnings in nationwide employment for second preceding year over such average annual earnings for third preceding year.
1977	Quarter of coverage amount ($250 in 1978) increased by same percentage. Result rounded to nearest $10. Dollar amounts in 1977 Act PIA formula and maximum family benefit formula increased by same percentage. Results rounded to nearest $1. Change over from using average earnings for calendar quarter January-March to using average annual earnings, when increasing earnings base, moved up to January 1980 increase.

Year	*Average First-Quarter Earnings*
1973	$ 1,895.04
1974	2,007.69
1975	2,157.73
1976	2,306.62
1977	2,444.86

Year	*Average Annual Earnings*
1951	$ 2,799.16
1952	2,973.32
1953	3,139.44
1954	3,155.64
1955	3,301.44
1956	3,532.36
1957	3,641.72
1958	3,673.80
1959	3,855.80
1960	4,007.12
1961	4,086.76
1962	4,291.40
1963	4,396.64
1964	4,576.32
1965	4,658.72
1966	4,938.36
1967	5,213.44
1968	5,571.76
1969	5,893.76
1970	6,186.24
1971	6,497.08
1972	7,133.80
1973	7,580.16
1974	8,030.76
1975	8,630.92
1976	9,226.48
1977	9,779.44
1978	10,556.03
1979	11,479.46
1980	12,513.46

Act	*Based on CPI Increases*
1972	Percentages in PIA formula and maximum family benefit formula increased each January, based on increase in average CPI for calendar quarter April-June of preceding year over such average CPI for second preceding year, if at least 3%. Percentage increase rounded to nearest one-tenth percent. PIA's in current-payment status, minimum PIA, and transitional benefits for age 72 and older increased by same percentage.
1973	Increases to take effect in June, based on increase in average CPI for calendar quarter January-March of same year over such average CPI for preceding year.
1977	Special minimum amounts increased by same percentage, beginning June 1979.

HISTORY OF THE PROVISIONS OF HOSPITAL INSURANCE 1965–81

Act — *Employment Covered—Quarters of Coverage (QC)*

1965 As under OASDI.

1967 Same changes as OASDI.

1972 Same changes as OASDI.

Act — *Insured Status Requirements*

1965 Age 65 and older, and entitled to OASDI or RR benefits.
Alternatively, 3 QC for each year after 1965 and before age 65. No QC required for those 65 before 1968.

1967 3 QC for each year after 1966 and before age 65.

1972 Disabled under age 65 entitled to monthly cash benefits for 24 consecutive months or longer, and certain persons with chronic kidney disease.
Voluntary coverage for those over 65, otherwise uninsured but enrolled in SMI.

1980 24 months of entitlement to cash benefits for disabled under age 65 need not be consecutive.
Eligibility for, rather than entitlement to, OASDI or RR benefits required.

BENEFITS (HI)

Covered Services

1965 Hospital services for up to 90 days in a spell of illness. Extended care services after hospitalization, for up to 100 days in a spell of illness.
Home health services after hospitalization, for up to 100 visits. Outpatient diagnostic services.

1967 Life-time reserve of 60 additional hospital days. Outpatient diagnostic services moved to SMI.

1980 For home health services, requirements for prior hositalization and limitation on number of visits eliminated.
Alcohol detoxification facility services.

1981 Repeal of alcohol detoxification facilities.

Reimbursement

1965 Based on reasonable costs of institution providing services.

Cost-Sharing Provisions

1965 Inpatient deductible, originally $40, to rise with hospital costs (rounded to nearest $4). Coinsurance of
1/4 inpatient deductible for each day of hospitalization after 60 days.
1/8 inpatient deductible for each day on extended care facility after 20 days.
Coinsurance payments based on year in which spell of illness began.
$20 deductible and 20% coinsurance for outpatient diagnostic services.
Psychiatric hospital care limited to 190 days, lifetime maximum.

1967 Co-payments of ½ inpatient deductible for each day of lifetime reserve.

1981 Inpatient deductible rises from original base of $45, beginning with 1982.
Coinsurance payments based on year in which hospital day occurred.

FINANCING

Act[1]	Years[1]	Contribution Rates and Earnings Base	
		Earnings Base	Contribution Rate (percent) Employer, Employee, & Self-Employed
1965	1966	$ 6,600	0.35
	1967	6,600	0.50
1967	1968-71	7,800	0.60
1971	1972	9,000	0.60
1972	1973	10,800	1.00
1973	1974	13,200	0.90
	1975	14,100	0.90
	1976	15,300	0.90
	1977	16,500	0.90
1977	1978	17,700	1.00
	1979	22,900	1.05
	1980	25,900	1.05
	1981	29,700	1.30
	1982	32,400	1.30
	1983-1984	[2]	1.30
	1985	[2]	1.35
	1986+	[2]	1.45

[1] Contribution rates provided by law, but superseded before they could become effective, are not shown.

[2] In accordance with the automatic provisions.

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OTHER FINANCING ISSUES

1965 General revenue financing for benefits and administrative costs for those not entitled to OASDI or RR benefits.

1972 Premium for voluntary coverage, originally at $33 per month.

1981 Borrowing among OASI, DI, and HI Trust Funds authorized, to be repaid with interest. Effective through December 31, 1982.

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HISTORY OF THE PROVISIONS OF SUPPLEMENTARY MEDICAL INSURANCE 1965–1981

Act *Coverage*

1965 Voluntary coverage. Almost all citizens and resident aliens age 65 and older eligible to enroll.

1972 Disabled beneficiaries under age 65 who have been entitled to monthly cash benefits for at least 24 months, and certain persons with chronic kidney disease, eligible to enroll. Enrollment of Hospital Insurance eligibles automatic, unless specifically choose not to enroll.

1980 24 months of entitlement to cash benefits for disabled under age 65 need not be consecutive.

Act *Financing*

1965 Enrollee premium rate, originally $3 per month, to be established by Secretary of HEW such as to pay half of the incurred costs, other half to be paid from general revenues (rounded to nearest $ .10).

1972 Premium rate for disabled under age 65, and for those with chronic kidney disease, to be same as for those age 65 and over.
Enrollee premium rate increases limited to rate of general increase in OASDI benefits.
General revenue financing increased to meet balance of cost over income from premiums.

BENEFITS

Covered Services

1965 Physician services (including those of hospital based physicians), outpatient services by hospitals and clinics, home health services up to 100 visits per year, and miscellaneous medical services.

1967 Outpatient diagnostic services transferred from HI.

1972 Certain services of chiropractors and speech pathologists added.

1977 Services in rural health clinics.

1980 For home health services, limitation on number of visits eliminated.
Facility costs of certain surgical procedures performed in freestanding ambulatory surgical centers.

Reimbursement

1965 Based on reasonable charges for physicians and miscellaneous services, reasonable costs for institutional services (including services of hospital-based physicians).

1967 In-hospital radiology and pathology changed to reasonable charge basis.

Cost-Sharing

1965 $50 calendar year per person deductible, with three month carry-over. 20% coinsurance. For out-of-hospital costs of mental illness, 50% coinsurance and maximum reimbursement of $250 per year.

1967 In-hospital radiology and pathology not subject to deductible and coinsurance.

1972 Deductible increased to $60. Coinsurance eliminated for home health services.

1980 Deductible eliminated for home health services. Radiology and pathology services only exempt from deductible and coinsurance when physician accepts assignment.

1981 Deductible increased to $75. Carryover deductible eliminated. Effective 1982.

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FINANCING

Combined Old-Age, Survivors, Disability, and Hospital Insurance

Act[1]	Years[1]	Contribution Rates and Earnings Base		
		Earnings Base	Contribution Rate (percent)	
			Employer and Employee each	Self-Employed
1935-1947	1937-49	$ 3,000	1.0	
1947	1950	3,000	1.5	
1950	1951-53	3,600	1.5	2.25
	1954	3,600	2.0	3.0
1954	1955-56	4,200	2.0	3.0
1956	1957-58	4,200	2.25	3.375
1958	1959	4,800	2.50	3.75
	1960-61	4,800	3.0	4.5
1961	1962	4,800	3.125	4.7
	1963-65	4,800	3.625	5.4
1965	1966	6,600	4.2	6.15
	1967	6,600	4.4	6.4
1967	1968	7,800	4.4	6.4
	1969	7,800	4.8	6.9
1969	1970	7,800	4.8	6.9
	1971	7,800	5.2	7.5
1971	1972	9,000	5.2	7.5
1972	1973	10,800	5.85	8.0
1973	1974	13,200	5.85	7.9
	1975	14,100	5.85	7.9
	1976	15,300	5.85	7.9
	1977	16,500	5.85	7.9
	1978	17,700	6.05	8.1
1977	1979	22,900	6.13	8.1
	1980	25,900	6.13	8.1
	1981	29,700	6.65	9.3
	1982	32,400	6.7	9.35
	1983-84	[2]	6.7	9.35
	1985	[2]	7.05	9.9
	1986-89	[2]	7.15	10.0
	1990+	[2]	7.65	10.75

[1] Contribution rates provided by law, but superseded before they could become effective, are not shown.
[2] In accordance with the automatic provisions.

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PAST AND PRESENT MEDICARE COST-SHARING AND PREMIUM AMOUNTS

A. HI Cost-Sharing Amounts

Calendar Year	Initial Deductible	Daily Coinsurance		
		Hospital		Skilled Nursing Facility, 21—100
		61—90 Days	Lifetime Reserve	
1966-68[a]	$40	$10	$20	$5.00
1969	44	11	22	5.50
1970	52	13	26	6.50
1971	60	15	30	7.50
1972	68	17	34	8.50
1973	72	18	36	9.00
1974	84	21	42	10.50
1975	92	23	46	11.50
1976	104	26	52	13.50
1977	124	31	62	15.50
1978	144	36	72	18.00
1979	160	40	80	20.00
1980	180	45	90	22.50
1981	204	51	102	25.50
1982	260	65	130	32.50

B. HI and SMI Premium Rates

Period	Standard Monthly Premium Rate		SMI Adequate Acturial Rates	
	HI	SMI	Aged	Disabled
7/66-3/68	—	$ 3.00	—	—
4/68-6/70	—	4.00	—	—
7/70-6/71	—	5.30	—	—
7/71-6/72	—	5.60	—	—
7/72-6/73	—	5.80	—	—
7/73-6/74	$33.00	6.30	6.30	14.50
7/74-6/75	36.00	6.70	6.70	18.00
7/75-6/76	40.00	6.70	7.50	18.50
7/76-6/77	45.00	7.20	10.70	19.00
7/77-6/78	54.00	7.70	12.30	25.00
7/78-6/79	63.00	8.20	13.40	25.00
7/79-6/80	69.00	8.70	13.40	25.00
7/80-6/81	78.00	9.60	16.30	25.50
7/81-6/82	89.00	11.00	22.60	36.60
7/82-6/83	113.00	12.20	24.60	42.10

[a]Hospital benefits first available in July 1966, except lifetime-reserve benefits first available in January 1968. Skilled nursing facility benefits first available in January 1967.

Note: For July and August 1973, the promulgated SMI standard premium rate shown above was reduced by the Cost of Living Council to $5.80 and $6.10, respectively.

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